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OGC:MCM:elw
20 July 1961

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MEMORANDUM FOR:

SUBJECT: Proposed Back Pay Act of 1961

1. We have reviewed the draft bill _____, which is referred to as the "Back Pay Act of 1961," and it is our opinion that the enactment of this bill would be advantageous to the Agency. It *would* provides clear authority for restoring lost pay and other benefits in the event an Agency employee should be adversely affected by a personnel act subsequently determined to be unjustified or unwarranted.

2. Under the authority of section 102(c) of the National Security Act of 1947, as amended, the Director of Central Intelligence, in his discretion, may terminate the employment of any employee of the Central Intelligence Agency. Our review of this present draft bill indicates that the Director's discretionary authority, which is necessary to the proper function *very* of the Agency, is not affected.

Assistant General Counsel

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